

Federal Communications Commission

FCC 00-240

Attachment C

CALCULATION OF REVENUE REQUIREMENTS AND PRO-RATA FEES

Fee Category	FY 2000 Payment Units	(times) FY 1999 Fee	(times) Payment Years	(equals) Computed FY 2000 Revenue Requirement	Pro-Rated Revenue Requirement**	Rounded New FY 2000 Regulatory Fee	Expected FY 2000 Revenue
PLMRS (Exclusive Use)	3,800	13	5	247,000	239,408	13	239,408
Microwave	6,250	13	10	812,500	787,525	13	787,525
218-219 MHz (Formerly IVDS)	0	13	10	0	0	0	0
Marine (Ship)	6,300	7	10	441,000	427,444	7	427,444
GMRS/PLMRS (Shared Use)	59,000	7	5	2,065,000	2,001,526	7	2,001,526
Aviation (Aircraft)	3,300	7	10	231,000	223,889	7	223,889
Marine (Coast)	1,500	7	5	52,500	50,886	7	50,886
Aviation (Ground)	1,750	7	5	61,250	59,367	7	59,367
Amateur Vanity Call Signs	8,000	1.4	10	112,000	108,557	1.4	112,000
AM Class A	72	1,942	1	139,824	135,526	1.875	135,000
AM Class B	1,155	1,491	1	1,722,105	1,669,171	1.450	1,674,750
AM Class C	806	738	1	594,828	576,544	715	576,290
AM Class D	2,001	970	1	1,940,970	1,881,308	940	1,880,940
FM Classes A, B1 & C3	2,656	1,491	1	3,960,096	3,838,370	1,445	3,851,200
FM Classes B, C, C1 & C2	2,555	1,942	1	4,961,810	4,809,293	1,875	4,790,625
AM Construction Permits	60	260	1	15,600	15,120	250	15,000
FM Construction Permits	341	780	1	265,980	257,804	755	257,455
Satellite TV	70	1,300	1	91,000	88,203	1,250	87,500
Satellite TV Construction Permit	4	460	1	1,840	1,783	445	1,780
VHF Markets 1-10	44	41,225	1	1,813,900	1,758,144	39,950	1,757,800
VHF Markets 11-25	54	34,325	1	1,853,550	1,796,575	33,275	1,796,850
VHF Markets 26-50	67	23,475	1	1,572,825	1,524,479	22,750	1,524,250
VHF Markets 51-100	115	13,150	1	1,512,250	1,465,766	12,750	1,466,250
VHF Remaining Markets	195	3,400	1	663,000	642,621	3,300	643,500
VHF Construction Permits	19	2,775	1	52,725	51,104	2,700	51,300
UHF Markets 1-10	70	15,550	1	1,088,500	1,055,041	15,075	1,055,250
UHF Markets 11-25	75	11,775	1	883,125	855,979	11,425	856,875
UHF Markets 26-50	102	7,300	1	744,600	721,712	7,075	721,650
UHF Markets 51-100	148	4,350	1	643,800	624,011	4,225	625,300
UHF Remaining Markets	163	1,175	1	191,525	185,638	1,150	187,450
UHF Construction Permits	93	2,900	1	269,700	261,410	2,800	260,400
Auxiliaries	22,500	12	1	270,000	261,701	12	261,701
International HF Broadcast	5	520	1	2,600	2,520	505	2,525
LPTV/Translators/Boosters	2,710	290	1	785,900	761,743	280	758,800
CARS	1,687	55	1	92,785	89,933	53	89,933
Cable Systems	66,690,000	0.48	1	32,011,200	31,027,233	0.47	31,027,233
Interstate Telephone Service Providers	74,124,558,460	0.00121	1	89,419,000	86,670,419	0.00117	86,670,419
CMRS Mobile Services (Cellular/Public Mobile)	86,000,000	0.32	1	26,240,000	25,433,429	0.30	25,433,429
CMRS Messaging Services	38,900,000	0.04	1	1,556,000	1,508,171	0.04	1,508,171
MDS/MMDS/LMDS	3,036	285	1	865,260	838,663	275	834,900
International Bearer Circuits	595,614	7	1	4,169,298	4,041,141	7	4,041,141
International Public Fixed	3	410	1	1,230	1,192	395	1,185
Earth Stations	2,679	180	1	482,220	467,397	175	468,825
Space Stations (Geostationary)	63.5	130,550	1	6,201,125	6,010,513	94,650	6,010,275
Space Stations (Non-geostationary)	3	180,800	1	542,400	525,728	175,250	525,750
***** Total Estimated Revenue Collected				191,644,821	185,754,000		185,753,420
***** Total Revenue Requirement				185,754,000	185,754,000		185,754,000
Difference				5,890,821	0		(243)

** 0.969261778 factor applied

FY 2000 SCHEDULE OF REGULATORY FEES

Fee Category	Annual Regulatory Fee (U.S. \$'s)
PLMRS (per license) (Exclusive Use) (47 CFR part 90)	13
Microwave (per license) (47 CFR part 101)	13
218-219 MHz (Formerly Interactive Video Data Service) (per license) (47 CFR part 95)	13
Marine (Ship) (per station) (47 CFR part 80)	7
Marine (Coast) (per license) (47 CFR part 80)	7
General Mobile Radio Service (per license) (47 CFR part 95)	7
PLMRS (Shared Use) (per license) (47 CFR part 90)	7
Aviation (Aircraft) (per station) (47 CFR part 87)	7
Aviation (Ground) (per license) (47 CFR part 87)	7
Amateur Vanity Call Signs (per call sign) (47 CFR part 97)	1.40
CMRS Mobile Services (per unit) (47 CFR parts 20, 22, 24, 27, 80 and 90)	.30
CMRS Messaging Services (per unit) (47 CFR parts 20, 22, 24 and 90)	.04
Multipoint Distribution Services (Includes MMDS & LMDS)(per call sign) (47 CFR parts 21 and 101)	275
AM Radio Construction Permits	250
FM Radio Construction Permits	755
TV (47 CFR part 73) VHF Commercial	
Markets 1-10	39,950
Markets 11-25	33,275
Markets 26-50	22,750
Markets 51-100	12,750
Remaining Markets	3,300

RADIO STATION REGULATORY FEES						
Population Served	AM Class A	AM Class B	AM Class C	AM Class D	FM Classes A, B1 & C3	FM Classes B, C, C1 & C2
<=20,000	400	300	200	250	300	400
20,001 - 50,000	800	625	300	425	625	800
50,001 - 125,000	1,325	850	425	650	850	1,325
125,001 - 400,000	1,950	1,350	625	775	1,350	1,950
400,001 - 1,000,000	2,725	2,200	1,200	1,450	2,200	2,725
>1,000,000	4,375	3,575	1,725	2,225	3,575	4,375

Fee Category	Annual Regulatory Fee (U.S. \$'s)
Construction Permits	2,700
TV (47 CFR part 73) UHF Commercial	
Markets 1-10	15,075
Markets 11-25	11,425
Markets 26-50	7,075
Markets 51-100	4,225
Remaining Markets	1,150
Construction Permits	2,800
Satellite Television Stations (All Markets)	1,250
Construction Permits - Satellite Television Stations	445
Low Power TV, TV/FM Translators & Boosters (47 CFR part 74)	280
Broadcast Auxiliary (47 CFR part 74)	12
CARS (47 CFR part 78)	53
Cable Television Systems (per subscriber) (47 CFR part 76)	.47
Interstate Telephone Service Providers (per revenue dollar)	.00117
Earth Stations (47 CFR part 25)	175
Space Stations (per operational station in geostationary orbit) (47 CFR part 25) also includes Direct Broadcast Satellite Service (per operational station) (47 CFR part 100)	94,650
Space Stations (per operational system in non-geostationary orbit) (47 CFR part 25)	175,250
International Bearer Circuits (per active 64KB circuit)	7
International Public Fixed (per call sign) (47 CFR part 23)	395
International (HF) Broadcast (47 CFR part 73)	505

COMPARISON BETWEEN FY 1999 & FY 2000 PROPOSED & FINAL REGULATORY FEES

Fee Category	Annual Regulatory Fee FY 1999	NPRM Proposed Fee FY 2000	Annual Regulatory Fee FY 2000
PLMRS (per license) (Exclusive Use) (47 CFR part 90)	13	13	13
Microwave (per license) (47 CFR part 101)	13	13	13
218-219 MHz (Formerly Interactive Video Data Service) (per license) (47 CFR part 95)	13	13	13
Marine (Ship) (per station) (47 CFR part 80)	7	7	7
Marine (Coast) (per license) (47 CFR part 80)	7	7	7
General Mobile Radio Service (per license) (47 CFR part 95)	7	7	7
PLMRS (Shared Use) (47 CFR part 90)	7	7	7
Aviation (Aircraft) (per station) (47 CFR part 87)	7	7	7
Aviation (Ground) (per license) (47 CFR part 87)	7	7	7
Amateur Vanity Call Signs (per call sign) (47 CFR part 97)	1.40	1.40	1.40
CMRS Mobile Services (per unit) (47 CFR parts 20, 22, 24, 27, 80 and 90)	.32	.31	.30
CMRS Messaging Services (per unit) (47 CFR parts 20, 22, 24 and 90)	.04	.04	.04
Multipoint Distribution Services (Includes MMDS and LMDS)(per call sign) (47 CFR part 21 and 101)	285	275	275
AM Construction Permits	260	250	250
FM Construction Permits	780	755	755
TV (47 CFR part 73) VHF Commercial			
Markets 1-10	41,225	39,950	39,950
Markets 11-25	34,325	33,275	33,275
Markets 26-50	23,475	22,750	22,750
Markets 51-100	13,150	12,750	12,750
Remaining Markets	3,400	3,300	3,300

Fee Category	Annual Regulatory Fee FY 1999	NPRM Proposed Fee FY 2000	Annual Regulatory Fee FY 2000
Construction Permits	2,775	2,700	2,700
TV (47 CFR part 73) UHF Commercial			
Markets 1-10	15,550	15,075	15,075
Markets 11-25	11,775	11,425	11,425
Markets 26-50	7,300	7,075	7,075
Markets 51-100	4,350	4,225	4,225
Remaining Markets	1,175	1,150	1,150
Construction Permits	2,900	2,800	2,800
Satellite Television Stations (All Markets)	1,300	1,250	1,250
Construction Permits – Satellite Television Stations	460	445	445
Low Power TV, TV/FM Translators & Boosters (47 CFR part 74)	290	280	280
Broadcast Auxiliary (47 CFR part 74)	12	12	12
CARS (47 CFR part 78)	55	53	53
Earth Stations (47 CFR part 25)	180	175	175
Cable Television Systems (per subscriber) (47 CFR part 76)	.48	.47	.47
Interstate Telephone Service Providers (per revenue dollar)	.00121	.00117	.00117
Space Stations (per operational station in geostationary orbit) (47 CFR part 25) also includes Direct Broadcast Satellite Service (per operational station) (47 CFR part 100)	130,550	94,650	94,650
Space Stations (per operational system in non-geostationary orbit) (47 CFR part 25)	180,800	175,250	175,250
International Bearer Circuits (per active 64KB circuit)	7	7	7
International Public Fixed (per call sign) (47 CFR part 23)	410	395	395
International (HF) Broadcast (47 CFR part 73)	520	505	505

FY 1999 RADIO STATION REGULATORY FEES						
Population Served	AM Class A	AM Class B	AM Class C	AM Class D	FM Classes A, B1 & C3	FM Classes B, C, C1 & C2
<=20,000	430	325	225	275	325	430
20,001 - 50,000	825	650	325	450	650	825
50,001 - 125,000	1,350	875	450	675	875	1,350
125,001 - 400,000	2,000	1,400	675	825	1,400	2,000
400,001 - 1,000,000	2,750	2,250	1,250	1,500	2,250	2,750
>1,000,000	4,400	3,600	1,750	2,250	3,600	4,400

FY 2000 RADIO STATION REGULATORY FEES						
(Proposed and Final)						
Population Served	AM Class A	AM Class B	AM Class C	AM Class D	FM Classes A, B1 & C3	FM Classes B, C, C1 & C2
<=20,000	400	300	200	250	300	400
20,001 - 50,000	800	625	300	425	625	800
50,001 - 125,000	1,325	850	425	650	850	1,325
125,001 - 400,000	1,950	1,350	625	775	1,350	1,950
400,001 - 1,000,000	2,725	2,200	1,200	1,450	2,200	2,725
>1,000,000	4,375	3,575	1,725	2,225	3,575	4,375

DETAILED GUIDANCE ON WHO MUST PAY REGULATORY FEES

1. The guidelines below provide an explanation of regulatory fee categories established by the Schedule of Regulatory Fees in section 9 (g) of the Communications Act,¹⁶⁵ as modified in the instant Report and Order. Where regulatory fee categories need interpretation or clarification, we have relied on the legislative history of section 9, our own experience in establishing and regulating the Schedule of Regulatory Fees for Fiscal Years (FY) 1994, 1995, 1996, 1997, 1998 and 1999 and the services subject to the fee schedule. The categories and amounts set out in the schedule have been modified to reflect changes in the number of payment units, additions and changes in the services subject to the fee requirement and the benefits derived from the Commission's regulatory activities, and to simplify the structure of the schedule. The schedule may be similarly modified or adjusted in future years to reflect changes in the Commission's budget and in the services regulated by the Commission.¹⁶⁶

2. Exemptions. Governments and nonprofit entities are exempt from paying regulatory fees and should not submit payment. A nonprofit entity is required to have on file with the Commission an IRS Determination Letter documenting that it is exempt from taxes under section 501 of the Internal Revenue Code or the certification of a governmental authority attesting to its nonprofit status. In instances where the IRS Determination Letter or the letter of certification from a governmental authority attesting to its nonprofit status is not sufficiently current, the nonprofit entity may be asked to submit more current documentation. The governmental exemption applies even where the government-owned or community-owned facility is in competition with a commercial operation. Other specific exemptions are discussed below in the descriptions of other particular service categories.

1. Private Wireless Radio Services

3. Two levels of statutory fees were established for the Private Wireless Radio Services -- exclusive use services and shared use services. Thus, licensees who generally receive a higher quality communication channel due to exclusive or lightly shared frequency assignments will pay a higher fee than those who share marginal quality assignments. This dichotomy is consistent with the directive of section 9, that the regulatory fees reflect the benefits provided to the licensees.¹⁶⁷ In addition, because of the generally small amount of the fees assessed against Private Wireless Radio Service licensees, applicants for new licenses and reinstatements and for renewal of existing licenses are required to pay a regulatory fee covering the entire license term, with only a percentage of all licensees paying a regulatory fee in any one year.

¹⁶⁵ 47 U.S.C. 159(g)

¹⁶⁶ 47 U.S.C. 159(b)(2), (3).

¹⁶⁷ 47 U.S.C. 159(b)(1)(A).

Applications for modification or assignment of existing authorizations do not require the payment of regulatory fees. The expiration date of those authorizations will reflect only the unexpired term of the underlying license rather than a new license term.

a. Exclusive Use Services

4. Private Land Mobile Radio Services (PLMRS) (Exclusive Use): Regulatees in this category include those authorized under part 90 of the Commission's Rules to provide limited access Wireless Radio service that allows high quality voice or digital communications between vehicles or to fixed stations to further the business activities of the licensee. These services, using the 220-222 MHz band and frequencies at 470 MHz and above, may be offered on a private carrier basis in the Specialized Mobile Radio Services (SMRS).¹⁶⁸ For FY 2000, PMRS licensees will pay a \$13 annual regulatory fee per license, payable for an entire five or ten year license term at the time of application for a new, renewal, or reinstatement license.¹⁶⁹ The total regulatory fee due is either \$65 for a license with a five-year term or \$130 for a license with a 10-year term.

5. Microwave Services: These services include private and commercial microwave systems and private and commercial carrier systems authorized under part 101 of the Commission's Rules to provide telecommunications services between fixed points on a high quality channel of communications. Microwave systems are often used to relay data and to control railroad, pipeline, and utility equipment. Commercial systems typically are used for video or data transmission or distribution. For FY 2000, Microwave licensees will pay a \$13 annual regulatory fee per license, payable for an entire ten-year license term at the time of application for a new, renewal, or reinstatement license. The total regulatory fee due is \$130 for the ten-year license term.

6. 218-219 MHz (Formerly Interactive Video Data Service (IVDS)): The 218-219 MHz service is a two-way, point-to-multi-point radio service allocated high quality channels of communications and authorized under part 95 of the Commission's Rules. The 218-219 MHz service provides information, products, and services, and also the capability to obtain responses from subscribers in a specific service area. The 218-219 MHz service is offered on a private carrier basis. The Commission does not anticipate receiving any applications in the 218-219 MHz service during FY 2000. However, for FY 2000, the annual regulatory fee for 218-219 MHz licensees is set at \$13 should there be any applications submitted. The total regulatory fee due would be \$130 for the ten-year license term.

¹⁶⁸ This category only applies to licensees of shared-use private 220-222 MHz and 470 MHz and above in the Specialized Mobile Radio (SMR) service who have elected not to change to the Commercial Mobile Radio Service (CMRS). Those who have elected to change to the CMRS are referred to paragraph 14 of this Attachment.

¹⁶⁹ Although this fee category includes licenses with ten-year terms, the estimated volume of ten-year license applications in FY 2000 is less than one-tenth of one percent and, therefore, is statistically insignificant.

b. Shared Use Services

7. Marine (Ship) Service: This service is a shipboard radio service authorized under part 80 of the Commission's Rules to provide telecommunications between watercraft or between watercraft and shore-based stations. Radio installations are required by domestic and international law for large passenger or cargo vessels. Radio equipment may be voluntarily installed on smaller vessels, such as recreational boats. The Telecommunications Act of 1996 gave the Commission the authority to license certain ship stations by rule rather than by individual license. The Commission exercises that authority. Thus, private boat operators sailing entirely within domestic U.S. waters and who are not otherwise required by treaty or agreement to carry a radio, are no longer required to hold a marine license, and they will not be required to pay a regulatory fee. For FY 2000, parties required to be licensed and those choosing to be licensed for Marine (Ship) Stations will pay a \$7 annual regulatory fee per station, payable for an entire ten-year license term at the time of application for a new, renewal, or reinstatement license. The total regulatory fee due is \$70 for the ten-year license term.
8. Marine (Coast) Service: This service includes land-based stations in the maritime services, authorized under part 80 of the Commission's Rules, to provide communications services to ships and other watercraft in coastal and inland waterways. For FY 2000, licensees of Marine (Coast) Stations will pay a \$7 annual regulatory fee per call sign, payable for the entire five-year license term at the time of application for a new, renewal, or reinstatement license. The total regulatory fee due is \$35 per call sign for the five-year license term.
9. Private Land Mobile Radio Services (PLMRS)(Shared Use): These services include Land Mobile Radio Services operating under parts 90 and 95 of the Commission's Rules. Services in this category provide one- or two-way communications between vehicles, persons or fixed stations on a shared basis and include radiolocation services, industrial radio services, and land transportation radio services. For FY 2000, licensees of services in this category will pay a \$7 annual regulatory fee per call sign, payable for an entire five-year license term at the time of application for a new, renewal, or reinstatement license. The total regulatory fee due is \$35 for the five-year license term.
10. Aviation (Aircraft) Service: These services include stations authorized to provide communications between aircraft and between aircraft and ground stations and include frequencies used to communicate with air traffic control facilities pursuant to part 87 of the Commission's Rules. The Telecommunications Act of 1996 gave the Commission the authority to license certain aircraft radio stations by rule rather than by individual license. The commission exercises that authority. Thus, private aircraft operators flying entirely within domestic U.S. airspace and who are not otherwise required by treaty or agreement to carry a radio are no longer required to hold an aircraft license, and they will not be required to pay a regulatory fee. For FY 2000, parties required to be licensed and those choosing to be licensed for Aviation (Aircraft) Stations will pay a \$7 annual regulatory fee per station, payable for the entire ten-year license term at the time of application for a new, renewal, or reinstatement license. The total regulatory fee due is \$70 per station for the ten-year license term.
11. Aviation (Ground) Service: This service includes stations authorized to provide ground-based communications to aircraft for weather or landing information, or for logistical support pursuant to part 87

of the Commission's Rules. Certain ground-based stations which only serve itinerant traffic, i.e., possess no actual units on which to assess a fee, are exempt from payment of regulatory fees. For FY 2000, licensees of Aviation (Ground) Stations will pay a \$7 annual regulatory fee per license, payable for the entire five-year license term at the time of application for a new, renewal, or reinstatement license. The total regulatory fee is \$35 per call sign for the five-year license term.

12. General Mobile Radio Service (GMRS): These services include Land Mobile Radio licensees providing personal and limited business communications between vehicles or to fixed stations for short-range, two-way communications pursuant to part 95 of the Commission's Rules. For FY 2000, GMRS licensees will pay a \$7 annual regulatory fee per license, payable for an entire five-year license term at the time of application for a new, renewal or reinstatement license. The total regulatory fee due is \$35 per license for the five-year license term.

c. Amateur Radio Vanity Call Signs

13. Amateur Vanity Call Signs: This category covers voluntary requests for specific call signs in the Amateur Radio Service authorized under part 97 of the Commission's Rules. Applicants for Amateur Vanity Call-Signs will continue to pay a \$1.40 annual regulatory fee per call sign, as prescribed in the FY 1999 fee schedule, payable for an entire ten-year license term at the time of application for a vanity call sign until the FY 2000 fee schedule becomes effective. The total regulatory fee due would be \$14 per license for the ten-year license term.¹⁷⁰ For FY 2000, Amateur Vanity Call Sign applicants will again pay a \$1.40 annual regulatory fee per call sign, payable for an entire ten-year term at the time of application for a new, renewal or reinstatement license. The total regulatory fee due is \$14 per call sign for the ten-year license term..

d. Commercial Wireless Radio Services

14. Commercial Mobile Radio Services (CMRS) Mobile Services: The Commercial Mobile Radio Service (CMRS) is an "umbrella" descriptive term attributed to various existing broadband services authorized to provide interconnected mobile radio services for profit to the public, or to such classes of eligible users as to be effectively available to a substantial portion of the public. CMRS Mobile Services include certain licensees which formerly were licensed as part of the Private Radio Services (e.g., Specialized Mobile Radio Services) and others formerly licensed as part of the Common Carrier Radio Services (e.g., Public Mobile Services and Cellular Radio Service). While specific rules pertaining to each covered service remain in separate parts 22, 24, 27, 80 and 90, general rules for CMRS are contained in part 20. CMRS Mobile Services will include: Specialized Mobile Radio Services (part 90);¹⁷¹

¹⁷⁰ Section 9(h) exempts "amateur radio operator licenses under part 97 of the Commission's rules (47 CFR part 97)" from the requirement. However, section 9(g)'s fee schedule explicitly includes "Amateur vanity call signs" as a category subject to the payment of a regulatory fee.

¹⁷¹ This category does not include licensees of private shared-use 220 MHz and 470 MHz and above in the Specialized Mobile Radio (SMR) service who have elected to remain non-commercial. Those who have elected not to change to the Commercial Mobile Radio Service (CMRS) are referred to paragraph 4 of this Attachment.

Broadband Personal Communications Services (part 24), Public Coast Stations (part 80); Public Mobile Radio (Cellular, 800 MHz Air-Ground Radiotelephone, and Offshore Radio Services) (part 22); and Wireless Communications Service (part 27). Each licensee in this group will pay an annual regulatory fee for each mobile or cellular unit (mobile or telephone number), assigned to its customers, including resellers of its services. For FY 2000, the regulatory fee is \$.30 per unit.

15. Commercial Mobile Radio Services (CMRS) Messaging Services: The Commercial Mobile Radio Service (CMRS) is an "umbrella" descriptive term attributed to various existing narrowband services authorized to provide interconnected mobile radio services for profit to the public, or to such classes of eligible users as to be effectively available to a substantial portion of the public. CMRS Messaging Services include certain licensees which formerly were licensed as part of the Private Radio Services (e.g., Private Paging and Radiotelephone Service), licensees formerly licensed as part of the Common Carrier Radio Services (e.g., Public Mobile One-Way Paging), licensees of Narrowband Personal Communications Service (PCS) (e.g., one-way and two-way paging), and 220-222 MHz Band and Interconnected Business Radio Service. In addition, this category includes small SMR systems authorized for use of less than 10 MHz of bandwidth. While specific rules pertaining to each covered service remain in separate parts 22, 24 and 90, general rules for CMRS are contained in part 20. Each licensee in the CMRS Messaging Services will pay an annual regulatory fee for each unit (pager, telephone number, or mobile) assigned to its customers, including resellers of its services. For FY 2000, the regulatory fee is \$.04 per unit.

16. Finally, we are reiterating our definition of CMRS payment units to make it clear that fees are assessable on each PCS or cellular telephone and each one-way or two-way pager capable of receiving or transmitting information, whether or not the unit is "active" on the "as-of" date for payment of these fees. The unit becomes "feeable" if the end user or assignee of the unit has possession of the unit and the unit is capable of transmitting or receiving voice or non-voice messages or data and the unit is either owned and operated by the licensee of the CMRS system or a reseller, or the end user of a unit has a contractual agreement for the provision of a CMRS service from a licensee of a CMRS system or a reseller of a CMRS service. The responsible payer of the regulatory fee is the CMRS licensee. For example, John Doe purchases a pager and contractually obtains paging services from Paging Licensee X. Paging Licensee X is responsible for paying the applicable regulatory fee for this unit. Likewise, Cellular Licensee Y donates cellular phones to a high school and the high school either pays for or obtains free cellular service from Cellular Licensee Y. In this situation, Cellular Licensee Y is responsible for paying the applicable regulatory fees for these units.

2. Mass Media Services

17. The regulatory fees for the Mass Media fee category apply to broadcast licensees and permittees. Noncommercial Educational Broadcasters are exempt from regulatory fees.

a. Commercial Radio

18. These categories include licensed Commercial AM (Classes A, B, C, and D) and FM (Classes A, B, B1, C, C1, C2, and C3) Radio Stations operating under part 73 of the Commission's Rules.¹⁷² We have combined class of station and city grade contour population data to formulate a schedule of radio fees which differentiate between stations based on class of station and population served. In general, higher class stations and stations in metropolitan areas will pay higher fees than lower class stations and stations located in rural areas. The specific fee that a station must pay is determined by where it ranks after weighting its fee requirement (determined by class of station) with its population. The regulatory fee classifications for Radio Stations for FY 2000 are as follows:

FY 2000 RADIO STATION REGULATORY FEES						
Population Served	AM Class A	AM Class B	AM Class C	AM Class D	FM Classes A, B1 & C3	FM Classes B, C, C1 & C2
<=20,000	400	300	200	250	300	400
20,001 - 50,000	800	625	300	425	625	800
50,001 - 125,000	1,325	850	425	650	850	1,325
125,001 - 400,000	1,950	1,350	625	775	1,350	1,950
400,001 - 1,000,000	2,725	2,200	1,200	1,450	2,200	2,725
>1,000,000	4,375	3,575	1,725	2,225	3,575	4,375

19. Licensees may determine the appropriate fee payment by referring to a list, which will be provided as an attachment to the final Report and Order in this proceeding. This same information will be available on the FCC's internet world wide web site (<http://www.fcc.gov>) by calling the FCC's National Call Center (1-888-225-5322), and may be included in the Public Notices mailed to each licensee for which we have a current address on file (Note: **Non-receipt of a Public Notice does not relieve a licensee of its obligation to submit its regulatory fee payment**).

¹⁷² The Commission acknowledges that certain stations operating in Puerto Rico and Guam have been assigned a higher level station class than would be expected if the station were located on the mainland. Although this results in a higher regulatory fee, we believe that the increased interference protection associated with the higher station class is necessary and justifies the fee.

b. Construction Permits - Commercial AM Radio

20. This category includes holders of permits to construct new Commercial AM Stations. For FY 2000, permittees will pay a fee of \$250 for each permit held. Upon issuance of an operating license, this fee would no longer be applicable and licensees would be required to pay the applicable fee for the designated group within which the station appears.

c. Construction Permits - Commercial FM Radio

21. This category includes holders of permits to construct new Commercial FM Stations. For FY 2000, permittees will pay a fee of \$755 for each permit held. Upon issuance of an operating license, this fee would no longer be applicable. Instead, licensees would pay a regulatory fee based upon the designated group within which the station appears.

d. Commercial Television Stations

22. This category includes licensed Commercial VHF and UHF Television Stations covered under part 73 of the Commission's Rules, except commonly owned Television Satellite Stations, addressed separately below. Markets are Nielsen Designated Market Areas (DMA) as listed in the Television & Cable Factbook, Stations Volume No. 68, 2000 Edition, Warren Publishing, Inc. The fees for each category of station are as follows:

VHF Markets 1-10.....	\$39,950
VHF Markets 11-25.....	33,275
VHF Markets 26-50.....	22,750
VHF Markets 51-100.....	12,750
VHF Remaining Markets.....	3,300
UHF Markets 1-10.....	\$15,075
UHF Markets 11-25.....	11,425
UHF Markets 26-50.....	7,075
UHF Markets 51-100.....	4,225
UHF Remaining Markets.....	1,150

e. Commercial Television Satellite Stations

23. Commonly owned Television Satellite Stations in any market (authorized pursuant to Note 5 of §73.3555 of the Commission's Rules) that retransmit programming of the primary station are assessed a fee of \$1,250 annually. Those stations designated as Television Satellite Stations in the 2000 Edition of the Television and Cable Factbook are subject to the fee applicable to Television Satellite Stations. All other television licensees are subject to the regulatory fee payment required for their class of station and market.

f. Construction Permits - Commercial VHF Television Stations

24. This category includes holders of permits to construct new Commercial VHF Television Stations. For FY 2000, VHF permittees will pay an annual regulatory fee of \$2,700. Upon issuance of an operating license, this fee would no longer be applicable. Instead, licensees would pay a fee based upon the designated market of the station.

g. Construction Permits - Commercial UHF Television Stations

25. This category includes holders of permits to construct new UHF Television Stations. For FY 2000, UHF Television permittees will pay an annual regulatory fee of \$2,800. Upon issuance of an operating license, this fee would no longer be applicable. Instead, licensees would pay a fee based upon the designated market of the station.

h. Construction Permits - Satellite Television Stations

26. The fee for UHF and VHF Television Satellite Station construction permits for FY 2000 is \$445. An individual regulatory fee payment is to be made for each Television Satellite Station construction permit held.

i. Low Power Television, FM Translator and Booster Stations, TV Translator and Booster Stations

27. This category includes Low Power UHF/VHF Television stations operating under part 74 of the Commission's Rules with a transmitter power output limited to 1 kW for a UHF facility and, generally, 0.01 kW for a VHF facility. Low Power Television (LPTV) stations may retransmit the programs and signals of a TV Broadcast Station, originate programming, and/or operate as a subscription service. This category also includes translators and boosters operating under part 74 which rebroadcast the signals of full service stations on a frequency different from the parent station (translators) or on the same frequency (boosters). The stations in this category are secondary to full service stations in terms of frequency priority. We have also received requests for waivers of the regulatory fees from operators of community based Translators. These Translators are generally not affiliated with commercial broadcasters, are nonprofit, non-profitable, or only marginally profitable, serve small rural communities, and are supported financially by the residents of the communities served. We are aware of the difficulties these Translators have in paying even minimal regulatory fees, and we have addressed those concerns in the ruling on reconsideration of the FY 1994 Report and Order. Community based Translators are exempt from regulatory fees. For FY 2000, licensees in low power television, FM translator and booster, and TV translator and booster category will pay a regulatory fee of \$280 for each license held.

j. Broadcast Auxiliary Stations

28. This category includes licensees of remote pickup stations (either base or mobile) and associated accessory equipment authorized pursuant to a single license, Aural Broadcast Auxiliary Stations (Studio Transmitter Link and Inter-City Relay) and Television Broadcast Auxiliary Stations (TV Pickup, TV Studio Transmitter Link, TV Relay) authorized under part 74 of the Commission's Rules. Auxiliary

Stations are generally associated with a particular television or radio broadcast station or cable television system. This category does not include translators and boosters (see paragraph 26 *infra*). For FY 2000, licensees of Commercial Auxiliary Stations will pay an \$12 annual regulatory fee on a per call sign basis.

k. Multipoint Distribution Service

29. This category includes Multipoint Distribution Service (MDS), Local Multipoint Distribution (LMDS), and Multichannel Multipoint Distribution Service (MMDS), authorized under parts 21 and 101 of the Commission's Rules to use microwave frequencies for video and data distribution within the United States. For FY 2000, MDS, LMDS, and MMDS stations will pay an annual regulatory fee of \$275 per call sign.

3. Cable Services

a. Cable Television Systems

30. This category includes operators of Cable Television Systems, providing or distributing programming or other services to subscribers under part 76 of the Commission's Rules. For FY 2000, Cable Systems will pay a regulatory fee of \$.47 per subscriber.¹⁷³ Payments for Cable Systems are to be made on a per subscriber basis as of December 31, 1999. Cable Systems should determine their subscriber numbers by calculating the number of single family dwellings, the number of individual households in multiple dwelling units, *e.g.*, apartments, condominiums, mobile home parks, etc., paying at the basic subscriber rate, the number of bulk rate customers and the number of courtesy or fee customers. In order to determine the number of bulk rate subscribers, a system should divide its bulk rate charge by the annual subscription rate for individual households. See FY 1994 Report and Order, Appendix B at paragraph 31.

b. Cable Antenna Relay Service

31.² This category includes Cable Antenna Relay Service (CARS) stations used to transmit television and related audio signals, signals of AM and FM Broadcast Stations, and cablecasting from the point of reception to a terminal point from where the signals are distributed to the public by a Cable Television System. For FY 2000, licensees will pay an annual regulatory fee of \$53 per CARS license.

4. Common Carrier Services

a. Commercial Microwave (Domestic Public Fixed Radio Service)

32. This category includes licensees in the Point-to-Point Microwave Radio Service, Local Television Transmission Radio Service, and Digital Electronic Message Service, authorized under part 101 of the Commission's Rules to use microwave frequencies for video and data distribution within the United

¹⁷³ Cable systems are to pay their regulatory fees on a per subscriber basis rather than per 1,000 subscribers as set forth in the statutory fee schedule. See FY 1994 Report and Order at paragraph 100.

States. These services are now included in the Microwave category (see paragraph 5 infra).

b. Interstate Telephone Service Providers

33. This category includes all providers of local and telephone services to end users. Covered services include the interstate and international portion of wireline and fixed wireless local exchange service, local and long distance private line services for both voice and data, dedicated and network packet and packet-like services, long distance message telephone services, and other local and toll services. Providers of such services are referred to herein as "interstate telephone service providers".

Interstate service providers include CAP/CLECs, incumbent local exchange carriers (local telephone operating companies), Interexchange carriers (long distance telephone companies), wireless telephone service carriers that provide fixed local or toll services (Cellular, Personal Communications Service, and Specialized Mobile Radio), local resellers, OSPs (operator service providers that enable customers to make away from home calls and to place calls with alternative billing arrangements), payphone service providers, pre-paid card, private service providers, satellite carriers that provide fixed local or message toll services, shared tenant service providers, toll resellers, and other local and other service providers.

In order to avoid imposing any double payment burden on resellers, we base the regulatory fee on end-user revenues. Accordingly, interstate telephone service providers, including resellers, must submit fee payments based upon their proportionate share of interstate and international end-user revenues for local and toll services. We use the terms end-user revenues, local service and toll service, based on the methodology used for calculating contributions to the Universal Service support mechanisms.¹⁷⁴

Interstate telephone service providers do not pay the Common Carrier regulatory fee on revenue from the provision of intrastate local and toll services, wireless monthly and local message services, satellite toll services, carrier's carrier telecommunications services, customer premises equipment, Internet service and non-telecommunications services. For FY 2000, carriers must multiply their interstate and international revenue from subject local and toll services by the factor 0.00117 to determine the appropriate fee for this category of service. Regulatees may want to use the following worksheet to determine their fee payment:

¹⁷⁴ See 1998 Biennial Regulatory Review -- Streamlined Contributor Reporting Requirements Associated with Administration of Telecommunications Relay Services, North American Numbering Plan, Local Number Portability, and Universal Service Support Mechanisms, Report and Order, FCC 99-175, CC Docket No. 98-171 (rel. July 14, 1999), 64 FR 41320 (Jul. 30, 1999) (*Contributor Reporting Requirements Order*).

Calendar 1999 revenue information (show amounts in whole dollars)		
1	Service provided by U.S. carriers that both originates and terminates in foreign points. Form 499-A Line 412 (e)	
2	Interstate end-user revenue from all telecommunications services. Form 499-A Line 420 (d)	
3	International end-user revenue from all telecommunications services exception international-to-international. Form 499-A Line 420 (e)	
4	Total interstate and international end-user revenues (Sum of Lines 1, 2 and 3)	
5	End user interstate mobile service monthly and activation charges. Form 499-A Line 409 (d)	
6	End user international mobile service monthly and activation charges. Form 499-A Line 409 (e)	
7	End user interstate mobile service message charges including roaming charges but excluding toll charges. Form 499-A Line 410 (d)	
8	End user international mobile service message charges including roaming charges but excluding toll charges. Form 499-A Line 410 (e)	
9	End user interstate satellite service. Form 499-A Line 416 (d)	
10	End user international satellite service. Form 499-A Line 416 (e)	
11	Total end user interstate and international mobile and satellite service revenue. (sum lines 5 through 10)	
12	Total end-user interstate and international revenues from local and subject toll services (Line 4 minus Line 11)	
13	Common carrier fee factor	.00117
14	2000 Regulatory Fee (Line 12 times Line 13) *	
* You are exempt from filing if the amount on line 14 is less than \$10.		

5. International Services

a. Earth Stations

34. Very Small Aperture Terminal (VSAT) Earth Stations, equivalent C-Band Earth Stations and antennas, and earth station systems comprised of very small aperture terminals operate in the 12 and 14 GHz bands and provide a variety of communications services to other stations in the network. VSAT systems consist of a network of technically-identical small Fixed-Satellite Earth Stations which often include a larger hub station. VSAT Earth Stations and C-Band Equivalent Earth Stations are authorized

pursuant to part 25 of the Commission's Rules. Mobile Satellite Earth Stations, operating pursuant to part 25 of the Commission's Rules under blanket licenses for mobile antennas (transceivers), are smaller than one meter and provide voice or data communications, including position location information for mobile platforms such as cars, buses, or trucks.¹⁷⁵ Fixed-Satellite Transmit/Receive and Transmit-Only Earth Station antennas, authorized or registered under part 25 of the Commission's Rules, are operated by private and public carriers to provide telephone, television, data, and other forms of communications. Included in this category are telemetry, tracking and control (TT&C) earth stations, and earth station uplinks. For FY 2000, licensees of VSATs, Mobile Satellite Earth Stations, and Fixed-Satellite Transmit/Receive and Transmit-Only Earth Stations will pay a fee of \$175 per authorization or registration as well as a separate fee of \$175 for each associated Hub Station.

35. Receive-only earth stations. For FY 2000, there is no regulatory fee for receive-only earth stations.

b. Space Stations (Geostationary Orbit)

36. Geostationary Orbit (also referred to as Geosynchronous) Space Stations are domestic and international satellites positioned in orbit to remain approximately fixed relative to the earth. Most are authorized under part 25 of the Commission's Rules to provide communications between satellites and earth stations on a common carrier and/or private carrier basis. In addition, this category includes Direct Broadcast Satellite (DBS) Service which includes space stations authorized under part 100 of the Commission's rules to transmit or re-transmit signals for direct reception by the general public encompassing both individual and community reception. For FY 2000, entities authorized to operate geostationary space stations (including DBS satellites) will be assessed an annual regulatory fee of \$94,650 per operational station in orbit. Payment is required for any geostationary satellite that has been launched and tested and is authorized to provide service.

c. Space Stations (Non-Geostationary Orbit)

37. Non-Geostationary Orbit Systems (such as Low Earth Orbit (LEO) Systems) are space stations that orbit the earth in non-geosynchronous orbit. They are authorized under part 25 of the Commission's rules to provide communications between satellites and earth stations on a common carrier and/or private carrier basis. For FY 2000, entities authorized to operate Non-Geostationary Orbit Systems (NGSOs) will be assessed an annual regulatory fee of \$175,250 per operational system in orbit. Payment is required for any NGSO System that has one or more operational satellites operational. In our FY 1997 Report and Order at paragraph 75 we retained our requirement that licensees of LEOs pay the LEO regulatory fee upon their certification of operation of a single satellite pursuant to section 25.120(d). We require payment of this fee following commencement of operations of a system's first satellite to insure that we recover our regulatory costs related to LEO systems from licensees of these systems as early as possible so that other regulatees are not burdened with these costs any longer than necessary. Because section 25.120(d) has significant implications beyond regulatory fees (such as whether the entire planned cluster

¹⁷⁵ Mobile earth stations are hand-held or vehicle-based units capable of operation while the operator or vehicle is in motion. In contrast, transportable units are moved to a fixed location and operate in a stationary (fixed) mode. Both are assessed the same regulatory fee for FY 2000.

is operational in accordance with the terms and conditions of the license) we are clarifying our current definition of an operational LEO satellite to prevent misinterpretation of our intent as follows:

Licensees of Non-Geostationary Satellite Systems (such as LEOs) are assessed a regulatory fee upon the commencement of operation of a system's first satellite as reported annually pursuant to §§ 25.142(c), 25.143(e), 25.145(g), or upon certification of operation of a single satellite pursuant to § 25.120(d).

d. International Bearer Circuits

38. Regulatory fees for International Bearer Circuits are to be paid by facilities-based common carriers (either domestic or international) activating the circuit in any transmission facility for the provision of service to an end user or resale carrier. Payment of the fee for bearer circuits by non-common carrier submarine cable operators is required for circuits sold on an indefeasible right of use (IRU) basis or leased to any customer, including themselves or their affiliates, other than an international common carrier authorized by the Commission to provide U.S. international common carrier services. Compare FY 1994 Report and Order at 5367. Payment of the international bearer circuit fee is also required by non-common carrier satellite operators for circuits sold or leased to any customer, including themselves or their affiliates, other than an international common carrier authorized by the Commission to provide U.S. international common carrier services. The fee is based upon active 64 kbps circuits, or equivalent circuits. Under this formulation, 64 kbps circuits or their equivalent will be assessed a fee. Equivalent circuits include the 64 kbps circuit equivalent of larger bit stream circuits. For example, the 64 kbps circuit equivalent of a 2.048 Mbps circuit is 30 64 kbps circuits. Analog circuits such as 3 and 4 kHz circuits used for international service are also included as 64 kbps circuits. However, circuits derived from 64 kbps circuits by the use of digital circuit multiplication systems are not equivalent 64 kbps circuits. Such circuits are not subject to fees. Only the 64 kbps circuit from which they have been derived will be subject to payment of a fee. For FY 2000, the regulatory fee is \$7 for each active 64 kbps circuit or equivalent. For analog television channels we will assess fees as follows:

Analog Television Channel Size in MHz	No. of equivalent 64 kbps Circuits
36.....	630
24.....	288
18.....	240

e. International Public Fixed

39. This fee category includes common carriers authorized under part 23 of the Commission's Rules to provide radio communications between the United States and a foreign point via microwave or HF troposcatter systems, other than satellites and satellite earth stations, but not including service between the United States and Mexico and the United States and Canada using frequencies above 72 MHz. For FY 2000, International Public Fixed Radio Service licensees will pay a \$395 annual regulatory fee per call sign.

f. International (HF) Broadcast

40. This category covers International Broadcast Stations licensed under part 73 of the Commission's Rules to operate on frequencies in the 5,950 kHz to 26,100 kHz range to provide service to the general public in foreign countries. For FY 2000, International HF Broadcast Stations will pay an annual regulatory fee of \$505 per station license.

Description of FCC Activities

Authorization of Service: The authorization or licensing of radio stations, telecommunications equipment, and radio operators, as well as the authorization of common carrier and other services and facilities. Includes policy direction, program development, legal services, and executive direction, as well as support services associated with authorization activities.¹⁷⁶

Policy and Rulemaking: Formal inquiries, rulemaking proceedings to establish or amend the Commission's rules and regulations, action on petitions for rulemaking, and requests for rule interpretations or waivers; economic studies and analyses; spectrum planning, modeling, propagation-interference analyses, and allocation; and development of equipment standards. Includes policy direction, program development, legal services, and executive direction, as well as support services associated with policy and rulemaking activities.

Enforcement: Enforcement of the Commission's rules, regulations and authorizations, including investigations, inspections, compliance monitoring, and sanctions of all types. Also includes the receipt and disposition of formal and informal complaints regarding common carrier rates and services, the review and acceptance/rejection of carrier tariffs, and the review, prescription and audit of carrier accounting practices. Includes policy direction, program development, legal services, and executive direction, as well as support services associated with enforcement activities.

Public Information Services: The publication and dissemination of Commission decisions and actions, and related activities; public reference and library services; the duplication and dissemination of Commission records and databases; the receipt and disposition of public inquiries; consumer, small business, and public assistance; and public affairs and media relations. Includes policy direction, program development, legal services, and executive direction, as well as support services associated with public information activities.

¹⁷⁶ Although Authorization of Service is described in this exhibit, it is not one of the activities included as a feeable activity for regulatory fee purposes pursuant to section 9(a)(1) of the Act. 47 U.S.C. 159(a)(1).

**Factors, measurements and calculations that go into determining
station signal contours and associated population coverages**

AM Stations

Specific information on each day tower, including field ratio, phasing, spacing and orientation was retrieved, as well as the theoretical pattern RMS figure (mV/m @ 1 km) for the antenna system. The standard, or modified standard if pertinent, horizontal plane radiation pattern was calculated using techniques and methods specified in sections 73.150 and 73.152 of the Commission's rules.¹⁷⁷ Radiation values were calculated for each of 72 radials around the transmitter site (every 5 degrees of azimuth). Next, estimated soil conductivity data was retrieved from a database representing the information in FCC Figure M3. Using the calculated horizontal radiation values, and the retrieved soil conductivity data, the distance to the city grade (5 mV/m) contour was predicted for each of the 72 radials. The resulting distance to city grade contours were used to form a geographical polygon. Population counting was accomplished by determining which 1990 block centroids were contained in the polygon. The sum of the population figures for all enclosed blocks represents the total population for the predicted city grade coverage area.

FM Stations

The maximum of the horizontal and vertical HAAT (m) and ERP (kW) was used. Where the antenna HAMSL was available, it was used in lieu of the overall HAAT figure to calculate specific HAAT figures for each of 72 radials under study. Any available directional pattern information was applied as well, to produce a radial-specific ERP figure. The HAAT and ERP figures were used in conjunction with the propagation curves specified in section 73.313 of the Commission's rules to predict the distance to the city grade (70 dBuV/m or 3.17 mV/m) contour for each of the 72 radials.¹⁷⁸ The resulting distance to city grade contours were used to form a geographical polygon. Population counting was accomplished by determining which 1990 block centroids were contained in the polygon. The sum of the population figures for all enclosed blocks represents the total population for the predicted city grade coverage area.

¹⁷⁷ 47 CFR 73.150 and 73.152.

¹⁷⁸ 47 CFR 73.313.

Parties Filing Comments on the Notice of Proposed Rule Making

Space System License, Inc., Motorola Pacific Communications, Inc. and Motorola Satellite Communications, Inc. (collectively, "Motorola")

Sunbelt Communications Company and Ruby Mountain Broadcasting Company (collectively, "Sunbelt")

Space Imaging LLC ("Space Imaging")

GE American Communications, Inc. ("GE Americom")

PanAmSat Corporation ("PanAmSat")

COMSAT Corporation ("COMSAT")

National Association of Broadcasters ("NAB")

The Cellular Telecommunications Industry Association ("CTIA")

The Council of Independent Communications Suppliers ("CICS") and the USMSS, Inc. ("USMSS")

American Mobile Telecommunications Association, Inc. ("AMTA")

BellSouth Corporation ("BellSouth")

Parties Filing Reply Comments on the Notice of Proposed Rule Making

GE American Communications, Inc. ("GE Americom")

PanAmSat Corporation ("PanAmSat")

COMSAT Corporation (COMSAT")

Attachment J

AM and FM Radio Regulatory Fees

The List of regulatory fees is available from the FCC Public Reference Room, CY-A257, 445 12th St. SW, Washington, DC 20554.

Federal Communications Commission **FCC 00-240**
SEPARATE STATEMENT OF COMMISSIONER HAROLD FURCHTGOTT-ROTH,
Approving in Part, Dissenting in Part

Re: Assessment and Collection of Regulatory Fees for Fiscal Year 2000, MD Docket No. 00-58 (rel. July 10, 2000).

I generally support today's item. However, two aspects of the Order particularly concern me. First, I am troubled by yearly increases in fees that do not appear tied to any corresponding increase in the services provided to these licensees by the Commission. Congress requires that the Commission collect \$185, 754, 000 this year to cover the costs of regulation and services.¹⁷⁹ Implicitly, this amount is "reasonably related to the benefits provided to the payor of the fee by the Commission's activities."¹⁸⁰ Over the past 6 years, however, these regulatory fees have increased over 200% and now cover 88.5% of the Commission's operating budget. It is hard to imagine that these increases reflect corresponding increases in Commission services.

These immense sums are not true "fees," but instead are more accurately described as taxes. Ordinarily, administrative fees are distinguishable from taxes in that the payor of fees receives a benefit in return. Conversely, taxes "confer[] no special benefit on the payee," rather, they are "intended to raise general revenue" or are "imposed for some public purpose."¹⁸¹ At this point, our regulatory fees cover nearly 90% of the FCC's total operating budget. It is difficult to contend that the payors of these fees account for 90% of the FCC's costs. "Fees" should not be used as a back door to impose tax-like obligations on licensees.

My second concern is the assessment of fees upon Comsat for the Intelsat satellite system. This order purports to find Comsat liable for certain of these fees. The order contends that Comsat is liable under the fee category, "space station[s] (per operational station in geosynchronous orbit) (47 CFR Part 25)."¹⁸² Comsat satellites are not, however, and never have been regulated or licensed under Part 25. The majority contends that the parenthetical reference to Part 25 following the fee is "essentially clerical" and "does not reflect a substantive limitation."¹⁸³ Needless to say, I am troubled by this characterization, particularly since the other parentheticals do not seem designed to merely "call attention to" certain "relevant" portions of our rules. In fact, other parentheticals regarding this fee category seem quite directive: "per operational station in geosynchronous orbit." I do not believe we possess the authority to interpret away that limitation to impose the fee based on some other calculus. I fear that imposition of the fee on non-part 25 systems leads us down that dangerous road.

¹⁷⁹ See Public Law 105-277 and 47 U.S.C. 159(a)(2).

¹⁸⁰ 47 U.S.C. § 159(a)(1)(A).

¹⁸¹ *Thomas v. Network Solutions*, 2 F.Supp.2d 22 (D.C. 1998).

¹⁸² See 47 U.S.C. § 159(g). Imposition of fees on Comsat has already endured a troubled history. See *Panamsat Corp. v. FCC*, 198 F.3d 890 (D.C. Cir. 1999); *Comsat Corp. v. FCC*, 114 F.3d 223 (D.C. Cir. 1997).

¹⁸³ Order at ¶ 22. Indeed, such an interpretation would render the parenthetical "mere surplusage" – contrary to established rules of statutory construction. See *Mail Order Ass'n of America v. USPS*, 986 F.2d 509 (D.C. Cir. 1993).

The Commission does possess clear authority to amend the Schedule of Regulatory Fees.¹⁸⁴ Congress mandates that in “making such amendments, the Commission shall add, delete or reclassify services in the Schedule to reflect additions, deletions, or changes in the nature of its services as a consequence of Commission rulemaking proceedings or changes in law.”¹⁸⁵ However, just as we failed to follow this obligation in the original Comsat “Signatory Fee” proceeding,¹⁸⁶ here too the Commission has not undertaken a proceeding to formally amend the fee schedule based on a “rulemaking proceedings or changes in law.”¹⁸⁷ I do not believe we should interpret away such limitations, rather the FCC is obligated to implement the statutory fee schedule as written or formally change it, not merely read purportedly inconvenient limitations out of the statute.¹⁸⁸

For the foregoing reasons, I respectfully dissent.

¹⁸⁴ See *id.* § 159(b)(3).

¹⁸⁵ *Id.*

¹⁸⁶ See *Comsat Corp. v. FCC*, 114 F.3d 223 (D.C. Cir. 1997) (holding that the Commission cannot make an amendment to the fee schedule unless pursuant to a rulemaking or change in the law).

¹⁸⁷ In light of the longstanding nature of the Comsat service and the existing fee category structure, it is not clear that there has been the requisite “additions, deletions, or changes in the nature of its services.” See 47 U.S.C. § 159(b)(3).

¹⁸⁸ The Order’s interpretation seems more like a rewrite. See *Indiana Michigan Power Co. v. Department of Energy*, 88 F.3d 1272, 1276 (1996) (Stating that the Department’s “treatment of this statute is not an interpretation but a rewrite.”).